

ASSEMBLY BILL

No. 944

Introduced by Assembly Member Anderson

February 22, 2007

An act to add Section 17132.8 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 944, as introduced, Anderson. Personal income tax: exemption: California National Guard.

The Personal Income Tax Law imposes a tax on individual taxpayers measured by the amount of the taxpayer's taxable income for the taxable year, but exempts certain items of income from that tax.

This bill would, for each taxable year beginning on or after January 1, 2007, exempt the first \$50,000 of qualified income, as defined, of a qualified member of the California National Guard, as defined, from the personal income tax.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17132.8 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17132.8. (a) For each taxable year beginning on or after
- 4 January 1, 2007, any tax imposed by this part shall not apply to
- 5 the first fifty thousand dollars (\$50,000) of qualified income of a
- 6 qualified member.

- 1 (b) For purposes of this section:
- 2 (1) “Qualified income” means federal or state active duty pay.
- 3 (2) “Qualified member” means a member of the California
- 4 National Guard who is either of the following:
- 5 (A) Is deployed overseas in a federal role.
- 6 (B) Is stationed 150 or more miles from his or her home in
- 7 support of a federal or state mission for a period of more than 30
- 8 days.
- 9 SEC. 2. This act provides for a tax levy within the meaning of
- 10 Article IV of the Constitution and shall go into immediate effect.